

Exhibit 13



RESOURCE CENTER > DRIVING

Gen Z doesn't want to share data with auto insurance companies, but Millennials do.

PLUS, 40% OF DRIVERS DON'T KNOW WHAT TELEMATICS IS.



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Reviewed By [Ross Martin](#) ⓘ

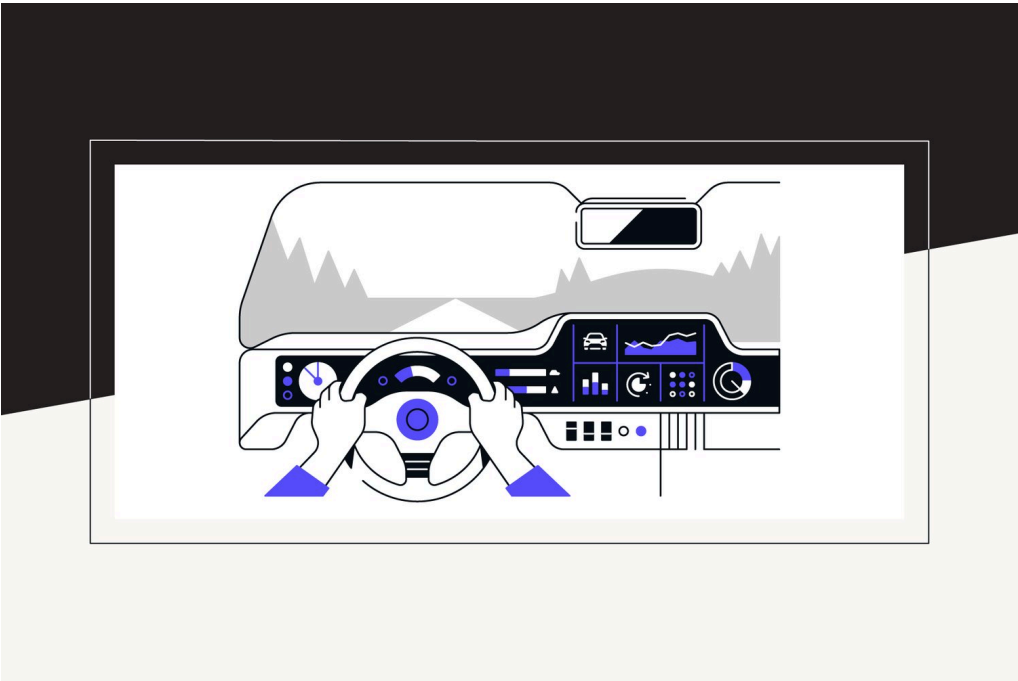


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Introduction

Telematics programs are becoming more and more common in the car insurance industry today...but what are they? “Telematics” is a fancy word for usage-based insurance. Insurance companies use in-car tracking devices to monitor drivers’ habits and tendencies. These devices track a vehicle's speed, mileage, total driving time and other factors to help determine the policyholder's car insurance premiums. Traditional insurance companies like [Progressive](#), [Allstate](#), [GEICO](#) and more offer some form of telematics programs. And then there are newer insurance companies that have focused on usage-based insurance like [Root](#) and [Metromile](#).

Since telematics is relatively new to the insurance world (the first [programs started about 10 years ago](#)), there isn’t much information out there about how drivers feel about telematics compared to traditional car insurance policies. Are drivers on board with being tracked whenever they get into their car? Do they consider it worth it for a lower rate?

To understand how drivers feel about telematics insurance programs, The Zebra surveyed 1,000 U.S. drivers who either own or lease a car.

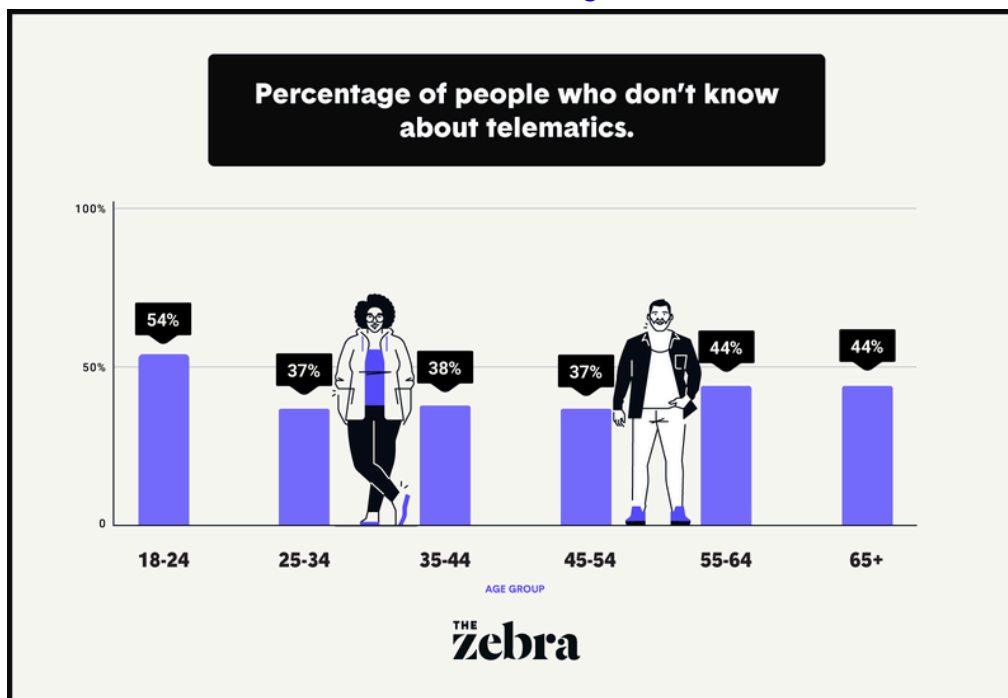
Key Findings

- 40% of drivers don't know what telematics is.
- Gen Z doesn't want to share data with insurance companies, while Millennials are more okay with it.
- 62% of drivers think that pricing insurance based on how they drive is fair.

Key Finding: 40% of drivers don't know what telematics is.

Despite being a growing technology increasingly offered by major insurers, our research shows that people still don't necessarily know what it is.

Gen Z drivers (for this survey, defined as ages 18-24) are the least likely to know what telematics is (54%). Drivers in the Elder Gen X age group (45-54) are more likely to understand what it is, but this cohort is also the most unwilling to select a telematics policy.



We also asked if drivers knew if their insurance company offered a telematics plan. Of those who answered the question, 42% weren't sure. However, about 25% of people said they would use telematics if it guaranteed financial savings.

These results show there is an educational opportunity for insurance companies to offer policyholders more information about telematics, how it works and the cost savings good drivers could get by switching.

[One insurance survey](#) found that only 32% of customer service representatives are provided with some or plenty of resources about telematics. If insurance companies are hoping to get more drivers on board with telematics policies, they should be equipping their teams with the right resources to thoroughly explain the benefits and potential cost savings of these programs.

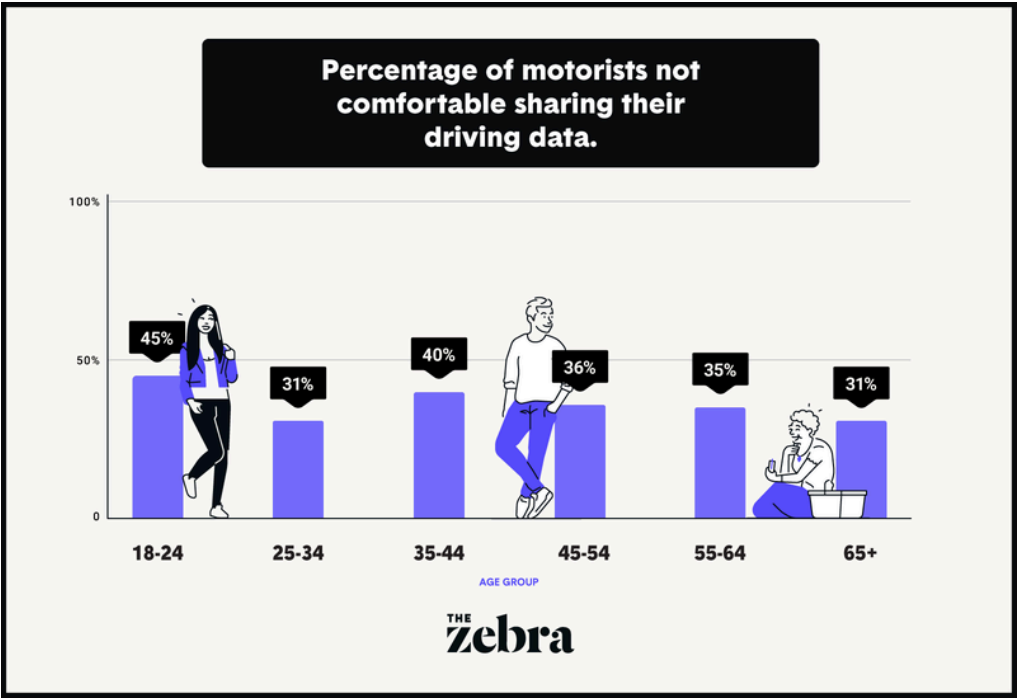
Key Finding: Gen Z doesn't want to share data with auto insurance companies, while Millennials are more okay with it.

60% of Gen Zers who answered this question said they feel some level of discomfort with sharing location data, and 45% said they feel uncomfortable sharing driving data.

This lines up with what we already know about younger people. While Gen Z is a very online age group, one report found that 62% of them worry about how their personal data is being used by companies.

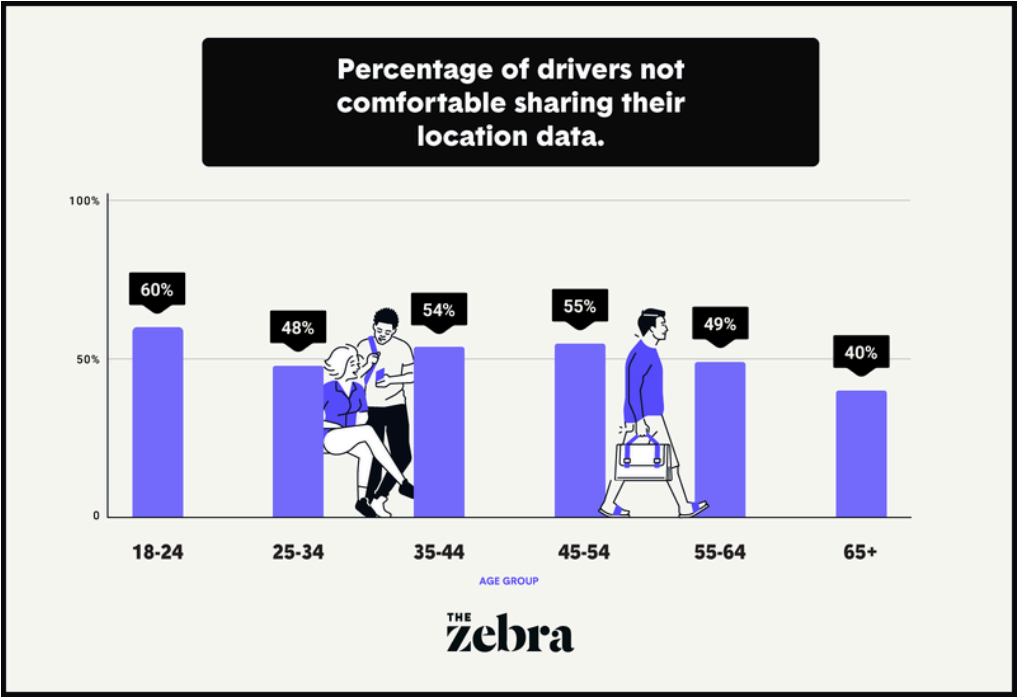
What about the generation above them? Young millennials (25-34) aren't as protective about their data. Only 48% who answered this question said they aren't comfortable sharing location data, and only 31% aren't comfortable sharing driving data.

Interestingly, Elder Millennials and young Gen Xers (ages 35-44) are more aligned with Gen Z when it comes to sharing data. Of those who answered the question, 40% said they are uncomfortable with sharing driving data, and 54% said they're uncomfortable sharing location data with auto insurance companies.



So what does this mean? Either drivers want to share driving data or they don't. There isn't really a middle ground here. When it comes to location data, many drivers aren't comfortable with that either. Millennials, however, are the odd ones out. They are more comfortable

sharing driving and location data than their older and younger counterparts.



Many telematics programs track driving via in-vehicle telecommunication devices or through mobile apps on a person’s phone. It’s interesting that many drivers are uncomfortable with sharing this data, seeing as many of us already share so much information with companies through our phones every day. In fact, the majority of Americans already think that most of what they do online and on their cell phones is already being tracked by companies...and they’re not wrong. One analysis found that Instagram shares about 79% of someone’s personal data with third parties, Facebook shares 57% and Linkedin shares 50%.

To get drivers more comfortable sharing data for insurance purposes, companies should consider being very clear about how the data will and won’t be used. One study found that 41% of Gen Z will forgo privacy concerns and provide data in return for a personalized experience. If insurance companies can clearly articulate how they will use data to create more personalized rates and policies, they may be able to overcome this data-sharing barrier among the younger generation.

Key Finding: 62% of drivers think that pricing insurance based on how they drive is fair.

62% of the drivers we surveyed think that pricing insurance based on how they drive is fair. When asked why they would potentially select a telematics plan, the most popular answer was to save money, followed by if driving data was guaranteed to be secure and if it would make them a safer driver.



However, the drivers we surveyed are more likely to think there are no savings with telematics. This is another opportunity for education. Since most drivers think that pricing based on how they drive is fair, telematics should be an easy sell. The issue is that many drivers may

not understand exactly what it is or how much it could potentially save them. Insurance providers should take the time to show drivers exactly what they could save with a telematics plan vs. a traditional plan if they have great driving habits or don't drive much, especially during the COVID-19 pandemic.

The telematics market is expected to experience [nearly 30% growth](#) by 2024. To capitalize on this growth, insurance companies need to be more proactive about educating consumers on telematics, data sharing and safe driving discounts. Telematics can prevent drivers from being penalized by [rating factors](#) that are out of their hands and receive more favorable rates, but they won't know that if you don't tell them.

Methodology

This report presents the findings of an online quantitative survey of 1,001 U.S. residents who either own or lease a car. The survey was developed and executed by The Zebra through Google Surveys from August 25-September 13, 2021. Percentages in this study were rounded to the nearest whole number. A more detailed description of Google Surveys' methodology can be found [here](#).



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USAA	Esurance
Progressive	State Farm
Progressive vs Safeco	State Farm vs Allstate
State Farm vs Progressive	Progressive vs The General
Erie	Metlife
Travelers	Nationwide
Metromile vs Root	State Farm vs AAA
USAA vs Progressive	Progressive vs Allstate

Insurance By State

Auto Insurance: AL AK AZ AR CA CO CT DC DE FL GA HI ID
IL IN IA KS KY LA ME MD MA MI MN MS MO MT NE NV
NH NJ NM NY NC ND OH OK OR PA RI SC SD TN TX UT VT
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